

# MAINE STATE LEGISLATURE

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TAXATION

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STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 26, L.D. 73, Bill, "An Act To Provide an Income Tax Credit for Certain Student Loan Repayments"

Amend the bill by striking out the title and substituting the following:

'An Act To Provide an Income Tax Deduction for Certain Student Loan Payments Made Directly to a Lender on Behalf of a Taxpayer'

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 36 MRSA §5122, sub-§2, ¶QQ is enacted to read:

QQ. To the extent included in federal adjusted gross income, student loan payments made directly to a lender on behalf of the taxpayer by a student loan repayment program funded by a nonprofit foundation and administered by the Finance Authority of Maine for residents of the State employed by a business located in the State.

Sec. 2. Application. This Act applies to tax years beginning on or after January 1, 2020.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Revenue Services, Bureau of 0002

Initiative: Provides one-time funding for computer programming costs to update individual income tax forms.

Table with 4 columns: GENERAL FUND, All Other, 2019-20, 2020-21. Values: \$11,000, \$0.

COMMITTEE AMENDMENT

1 GENERAL FUND TOTAL \$11,000 \$0

2

3 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
4 section number to read consecutively.

5

**SUMMARY**

6 This amendment strikes the provisions of the bill and provides an income tax  
7 deduction for student loan payments made directly to a lender on behalf of a taxpayer by  
8 a student loan repayment program funded by a nonprofit foundation and administered by  
9 the Finance Authority of Maine for residents of the State employed by a business located  
10 in the State. The amendment also adds an appropriations and allocations section.

11

**FISCAL NOTE REQUIRED**

12

**(See attached)**



# 129th MAINE LEGISLATURE

LD 73

LR 581(02)

## An Act To Provide an Income Tax Credit for Certain Student Loan Repayments

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-219)  
Committee: Taxation  
Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$11,000	\$21,375	\$41,800	\$49,400
<b>Appropriations/Allocations</b>				
General Fund	\$11,000	\$0	\$0	\$0
<b>Revenue</b>				
General Fund	\$0	(\$21,375)	(\$41,800)	(\$49,400)
Other Special Revenue Funds	\$0	(\$1,125)	(\$2,200)	(\$2,600)

### Fiscal Detail and Notes

The bill provides an income tax deduction for certain student loan payments and would result in a reduction in General Fund revenue of \$21,375 and a reduction in Local Government Fund revenue of \$1,125 in fiscal year 2020-21. The bill includes a General Fund appropriation of \$11,000 in fiscal year 2019-20 to the Department of Administrative and Financial Services for computer programming costs to update individual income tax forms.